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USTR Zoellick Hosts Latino Coalition for Trade

*Latino Business and Community Leaders
From Across the Country Gather to Support Free Trade*

WASHINGTON – With the Free Trade Area of the Americas Ministerial to be held in Miami next week, U. S. Trade Representative Robert B. Zoellick hosted over one hundred prominent Latino business and community leaders from across the country today at a White House event to launch the Latino Coalition for Free Trade. Joining Zoellick will be representatives from throughout Latin America, including the five Central American countries currently negotiating a free trade agreement between their countries and the United States (CAFTA).

“The future of our hemisphere depends on the strength of our commitment to free markets, economic opportunity, and democracy. Latinos in the United States contribute daily to the prosperity of this country, and understand the promise that these values hold for the rest of the hemisphere,” said Zoellick. “We are close to completing an FTA with five Central American countries and we are pushing for the hemispheric FTAA. Working together with our neighbors, the United States is seeking to build a Western Hemisphere bound together by democracy, rule of law, open investment, networked information societies, and free trade.”

Joining Zoellick at the Latino Coalition for Free Trade Launch will be Robert de Posada, Chairman of the Latino Coalition for Trade. Attendees at will include prominent business leaders and lead negotiators of the CAFTA agreement from Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

Background

The Bush administration has advanced trade with Latin America on a regional and bilateral basis. On September 3, 2003, President Bush signed into law a Free Trade Agreement with Chile, the first such agreement with a South American country. Chile joined Mexico and Canada as Hemispheric free trade partners with the United States. Next week, the United States will host the Free Trade Area of the Americas Ministerial meetings in Miami, Florida.

CAFTA

The United States is currently negotiating a US-Central American Free Trade Agreement (CAFTA) with Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua. On August 4, the Administration notified Congress of its intent to also initiate negotiations with the Dominican Republic, and to seek to integrate the Dominican Republic into the CAFTA.

The United States and the five Central American countries share almost \$25 billion in total (two-way) trade in goods. U.S. goods exports to the Central Americans are on track to reach \$11.5 billion in 2002, better than a 42 percent increase since 1996. That total is about the same as U.S. exports to Russia, India and Indonesia combined. The United States is expected to import \$13 billion of goods from the Central Americans in 2003, of which 74 percent entered duty free under the Caribbean Basin Initiative and Generalized System of Preference programs.

In October the United States, through a project funded and managed by the U.S. Department of Labor, awarded a four-year grant of \$6.75 million to the Foundation for Peace and Democracy (FUNPADEM) to help improve working conditions its Central American free trade partners. Also in October, the U.S. Agency for International Development (USAID) made a \$500,000 contribution to the CAFTA Alliance Fund of the Humane Society of the United States to support environmentally sustainable and humane agriculture as well as the protection of wildlife and habitat in Central America.

There have been eight rounds of CAFTA negotiations held so far, with the final round scheduled in Washington DC in early December.

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